

CHAL-1231

Copy 2 of 9

24 October 1960

MEMORANDUM FOR: Office of General Counsel

25X1A

ATTENTION :

[Redacted]

SUBJECT : Personal Service Contract (Standard "Driver" Contract)  
Project CHALICE

1. We recently discussed in some detail the legal obligations flowing from Agency termination of the attached contract under the pattern of facts set forth in paragraph 2 below. If this memorandum conforms to the oral counsel you gave me in said discussion would you kindly add your endorsement for the record.

2. Each of the below named individuals executed a personal services contract and amendments identical to the attachment. On or about 7 July 1960 the Agency, through its unit commanders, notified the named individuals that "Under the terms of (Their) contract, activities contemplated will be discontinued on 30 July 1960 [Redacted]. As of 30 July 1960 each of the contracts carried an expiration date of 31 October 1960 and each individual was in an Operational Duty Status thereunder.

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[Redacted]

3. Under the above facts it is held that (references to contract paragraphs):

a. Paragraph 7. The contract was terminated for discontinuance of activities on a date more than 90 days prior to the date it would normally expire (terminate by its terms).

b. Paragraph 7. The required 90 days' notice begins 31 July 1960 and continues through 20 October 1960.

-2-

CHAL 1231

c. Paragraphs 3(b); 3(c). The pay of the Operational Duty Status applicable to the individual on 30 July 1960 will continue during the 90-day termination period.

d. Paragraphs 3(c) 1; 3(d). Under the 90-day termination period these payments are tied to the pay status of Operational Duty.

e. Paragraph 3(c)2. Among other conditions this payment is payable during the 90-day termination period only if the individual is physically present at a post-differential location. The payment is tied to physical presence and pay status and not pay status alone.

f. Paragraph 4(d). For pay purposes the individual is to be carried in an Operational Duty Status and cannot be charged annual leave during the 90-day termination period.

g. Paragraphs 4(a) or any commuted authority thereunder; 4(b); 5. These obligations must continue to be satisfied by the Agency until the contract terminates, i. e., 28 October 1960.

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Personnel Officer  
DPD-DD/P

Att: a/s h/w

APPROVED:

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SIGNED



Deputy General Counsel

24 October 1960  
Date

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